Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

25X1
25X1

7 December 1983

DCI TALKING POINTS

Update On Central America

Recent events in Central American continue to be a mixed bag of positive and negative developments. Overall, however, the increasing internal and external pressures on the Sandinista regime in Nicaragua offer some hope for future progress in easing regional tensions.

- Sandinista concern over a possible invasion has reached a near panic level in the aftermath of US actions in Grenada.
- As a result, the Sandinistas reportedly have ordered the Salvadoran insurgents to leave Nicaragua and set up their headquarters elsewhere.
- In El Salvador, continued Army setbacks have prompted General Vides to make sweeping changes in the military command structure, including strengthening the general staff and appointing more competent field commanders.
- In Guatemala, rightist violence has caused new problems in Mejia's relations with the US and the Catholic Church.
- The Suazo government continues to strengthen its hand in Honduras.
- Costa Rica has issued a new proclamation of neutrality to improve its international image.
- In Panama, General Noriega has removed the leftist Vice-President because of recent critical foreign policy statements.

25X1

25X1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

25X1
25X1

— Meanwhile, the Contadora negotiations are making little progress, but another meeting is scheduled for late December to discuss draft treaties.

In Nicaragua, fighting has tapered off somewhat amidst indications that the insurgents are positioning to begin a major offensive in the north.

— The Sandinistas believe they plan to seize and hold territory, and additional military forces are sent to the area.

— The Sandinistas also are continuing to strengthen defenses in the east around the main coastal towns where Misura guerrillas have been active.

— Eden Pastora's insurgents, meanwhile, proclaimed the start of a major offensive in southern Nicaragua in mid-November, but the only evidence of the offensive we have seen so far was their attack on a border town.

Insurgent sources now indicate they have some 6,800 troops in the north. The Misura claim to have 1,750 armed fighters in the east, while Pastora says he has 2,800 in the south. This gives the three main groups a total strength of over 12,000.

Nicaragua is meanwhile continuing to strengthen its air defenses with substantial Cuban aid.

— [redacted] suggests the Cubans have established a new command post for air defense near Managua. [redacted] 25X1 25X1

— A new radar site also is being built near Managua by the Cubans.

— These developments indicate an increased capability to support jet fighter operations, although there have been no signs that delivery of such aircraft is impending.

Unidentified Sandinista officials recently told the press that 1,200 Cuban teachers and technicians recently left Nicaraguam and that 1,000 military advisers would leave soon.

25X1
Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1
25X1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

25X1
25X1

- Some Cuban civilian advisers reportedly have been sent home, but the Sandinistas apparently are taking advantage of the annual rotation of 2,000 teachers to suggest a much larger reduction in the Cuban presence.
- The Cuban military role, instead, actually may be increasing. Cuban flights to Nicaragua are continuing at a high level, reportedly bringing more arms and military personnel to Managua.

The Soviets are also involved in the recent arms buildup.

- A Bulgarian arms ship recently arrived in Nicaragua, undoubtedly at Moscow's behest.

Meanwhile, recent reporting indicates the Sandinistas want the Salvadoran insurgents to leave Nicaragua or be integrated into the Nicaraguan Army.

- This would supposedly remove a pretext for a US-supported invasion.
- Despite these signals, we have seen no evidence to indicate that the Sandinistas have closed the Salvadoran insurgent command and control center in Managua or that they have ceased arms shipments to El Salvador.

In El Salvador, the guerrillas reportedly are preparing to renew large scale offensive operations soon.

- Last month, insurgent units routed several new government battalions, two of which had received training from US personnel.
- In response to these setbacks, Defense Minister Vides has made sweeping changes in the Salvadoran high command including replacements for Chief of Staff, Intelligence, and Operations.
- At least nine other major field commands—including three of the four US-trained immediate reaction battalions—also have received new commanders.

25X1
Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

25X1
25X1

Meanwhile, violence by far right terrorist groups continues, and likely will remain a significant factor during the upcoming presidential campaign.

— Extreme rightists are frustrated by their failure to reverse reforms, concerned with recent gains by the guerrillas on the battlefield, and fearful that moderate government leaders may seek reconciliation with the insurgent left.

— Defense Minister Vides is considering ways to investigate and neutralize death squad activity, but efforts to curb rightwing terrorism will continue to be hampered by the organizational independence of death squads as well as by the weak resolve of many government and military authorities.

The election process, meanwhile, appears to be on track with the Assembly's recent passage of an electoral decree.

— The presidential election will be held on 25 March 1984, and the new President will be inaugurated on 1 June for a five-year term.

In Guatemala, Chief of State Mejia thus far retains the backing of most senior commanders.

— Nevertheless, Mejia's failure to obtain US military assistance, as well as the recent cut in US economic aid to Guatemala, may cause some officers to question their continuing support for him.

A more immediate threat to Mejia's policies is the rise in insurgent terrorism and abuses by security forces and ultrarightist extremists.

— At least six officials from moderate political groups have been kidnapped recently, and intimidation is likely to increase as elections approach.

— Other violence directed against the clergy has angered the Catholic Church, which formerly had supported Mejia.

25X1
Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

Meanwhile, the insurgents are increasing urban terrorism and rural attacks, and recently scored a notable success by killing one of the Army's top field commanders in an ambush.

- The military believes the guerrillas are planning an offensive for January which could stall progress towards elections while generating an atmosphere of uncontrolled violence.
- Nevertheless, the government forces still retain the tactical advantage, and have returned to a high level of patrolling in major conflict areas.

In Honduras, the Communist Party reportedly has established a dialogue with the Salvadoran rebels and is considering violent attacks against the government and US interests.

- The party's association with the Salvadorans may indicate an increased effort by the Salvadoran guerrillas to encourage outside groups to foment violence on their behalf.
- To date, however, the Honduran Communists have been generally unable to carry out major disruptive actions largely due to their own disunity and extensive government surveillance.

In Costa Rica, the resignation of anti-Sandinista hardliner Foreign Minister Volio and President Monge's recent proclamation of Costa Rican neutrality have raised fears that left-of-center elements in the government are gaining increasing influence.

- Nevertheless, Monge has appeased critics by reaffirming San Jose's commitments to regional security arrangements, and there is little chance that Volio's replacement will depart from a basicaly pro-US foreign policy.

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1 25X1

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1

25X1
25X1

— Moreover, the government's decision to proceed with a development project near the Nicaraguan border region, involving up to 1,000 US Army engineers, probably will help strengthen Costa Rican resolve to resist intimidation by Managua.

— Meanwhile, the escalating flow of Nicaraguan refugees into Costa Rica has heightened concern over the refugee camp population, which now numbers some 2,000 and is increasing by 150 per week.

Approved For Release 2007/09/04 : CIA-RDP85M00363R001002130008-1
25X1